

BRANCH MINT IN NEVADA TERRITORY.

[To accompany Bill H. R. No. 663.]

JANUARY 26, 1863.—Ordered to be printed.

Mr. STRATTON, from the Committee of Ways and Means, made the following

REPORT.

The Committee of Ways and Means, to whom was referred that part of the report of the Secretary of the Treasury commending "to the consideration of Congress the expediency of establishing an assay office or branch mint at some convenient point in Nevada Territory;" also House bill No. 663, entitled "An act to establish a branch mint of the United States in Nevada Territory," respectfully report:

That, in the opinion of the committee, there is an urgent necessity for a branch mint in said Territory. From the report of the Secretary of the Interior, in answer to a resolution of Congress calling for information upon the mineral resources of that Territory, it appears that the gold and silver mines there are found stretching from the Washoe, in the southwestern part of Nevada, across the Territory from west to east, and radiating in northerly and southerly directions from the great central discoveries of Washoe. The principal clusters of gold and silver discoveries are in the counties of Washoe, Storey, Lynn, and Oransby, surrounding Carson City, the capital of the Territory. Extending south some thirty or forty miles from Virginia City and Gold Hill, between the forks of Carson river, has been discovered what is known as the "Silver mountain." About ten miles have been staked off, in which it is said that ore has been discovered, running to a great depth, and rivalling in richness that found in any other district on the eastern slope. Still further south, on the western side of the Territory, the Esmarada and Van Horn mining districts are found. Here the discoveries of ore have warranted expensive processes of working. Returning to the central discoveries around Carson, and travelling due east across the Territory, at a distance of about 177 miles from Carson, near the extreme eastern part of Nevada, the Reese river mining district is found, and still further is the Simpson Park district, both abounding in rich discoveries of gold and silver ore. Near the geographical centre of the Territory, and surrounding it, are the Humboldt, Eldorado, Echo, Sacramento, and

several other mining districts. The Humboldt, especially, is believed to be of great richness in mineral product.

In August last it was estimated that there were one hundred and forty mills in operation in the Territory, and it is fair to presume that at the present time the number has been increased to two hundred. The discoveries of the precious metals in Nevada warrant the belief that in a few years it will in that respect surpass even the "golden State." The first discovery of rich quartz leads in this Territory was in June, 1859. The fact was not generally known until September of the same year. A population of some thirty or forty thousand now people the Territory, and millions of dollars have been expended in prospecting and working the mines, erecting quartz mills, with massive reducing machinery and ingenious separating processes. Several thriving towns and numerous villages have sprung up. The great business of the Territory is and must be mining.

A very small portion of the soil is adapted to agriculture. All the supplies for the western part of the Territory are drawn from California. The most valuable mines are veins or loads of quartz, generally dipping into the earth at an angle of about forty-five degrees, from four to eight feet in width, frequently containing from one to three veins of rich ore, varying in width from one to twenty feet. Such are found in the Comstock mine, at Virginia City, and at Gold Hill. These mines are found by the practical and energetic "prospectors," and they are generally well paid for their labor. Shafts sunk or tunnels run, to strike deeper in such places, develop richer products. The solid ledges generally yield richer qualities of ore, but require great labor and expense to work them. The machinery used in working the solid ledges is generally made of iron, of great strength, and is manufactured at San Francisco, and freighted thence to Sacramento in vessels, from whence it is carried overland across the mountains.

The expense of transportation is, of course, very great. It is estimated that the cost of these mills averages about \$30,000. There are two exceptions, however: The mills of "Gould, Curry & Co.," and of the "Ophir Company," which it is said cost \$1,000,000 each. The entire cost of the mills in use in the Territory in August last, was \$6,200,000.

The mines are of a permanent character, and the richness of the veins increase as the bowels of the earth are penetrated. The rich yields will not be likely to cease so long as drainage can be effected by pumping or tunneling.

The estimated yield of gold and silver in the Territory at the present time, is \$2,000,000 per month, with a constant prospect of an increase, as new machinery is put in operation.

There seems to be a necessity for the establishment of a mint in a region so central and so rich in the precious metals. An additional reason may be urged from the peculiar situation of the Territory, and its dependence on distant markets, from whence all its supplies are drawn. All the supplies of food, clothing, machinery, &c., are imported into the Territory. But little, save the precious metals, is

produced in the Territory. Payment for these supplies, and the necessary transportation, is made in the Territory.

The cost of transporting the bullion from the mines to California is from five to six per cent. The returns are received in about thirty days, with an additional cost of two per cent. in carrying back the coin. The transportation of silver is still more expensive. The bullion used in commerce can be shipped abroad in that shape as well, if not better, than in coin. The coinage of the amount that would find its way out of the Territory, in payment of supplies and transportation, it is believed, will reach at least half a million per annum. Notwithstanding this yield of precious metals, the people of the Territory are barely paying their way. A large proportion of the population is yet engaged in prospecting and opening the mines, and getting up the necessary machinery to work them. The whole country will be greatly benefited by a speedy development of these mines. A market will at once be opened for all kinds of manufactured goods. Very many of the miners are compelled to have their stock worked in mills doing custom work. They sell much of their bullion to dealers, at a discount, to enable them to raise means to procure their own machinery. They cannot wait until it is carried to San Francisco and returned.

The business taken to San Francisco is beyond the capacity of the mint there, by reason of the new discoveries.

This is more especially the case in the article of silver. The mines of Oregon and Washington Territory have largely increased the work of the mint at San Francisco, and it is believed that a large appropriation must be made to increase the capacity of the mint at San Francisco, or a new mint established to meet the events of the Pacific coast and the interior country. The latter is recommended. The following statistics, taken from a report made in October last, by T. D. Judah, esq., chief engineer of the Central Pacific railroad, giving the estimated revenue of the road, shows the immense amount of transportation in Nevada Territory, and its annual products of gold and silver:

Actual count of travel on the Placerville wagon road to Washoe and Nevada Territory for eight weeks, ending October 10, 1862.

Number of stages bound up.....	169
Number of stages bound down.....	171
Number of buggies bound up.....	61
Number of buggies bound down.....	46
Number of stage passengers up.....	1, 287
Number of stage passengers down.....	785
Number of travellers, other than stage passengers, up—riders, footmen and in buggies, (including emigrants).....	1, 288
Number of travellers, &c., down.....	2, 508
Loose stock of all kinds up.....	573
Loose stock of all kinds down.....	434
Number of teams bound up.....	5, 142
Number of teams bound down.....	4, 464

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Number of animals in teams up	22,728
Number of animals in teams down	22,803
Number of pounds of freight up	19,386,200
Number of pounds of freight down	

Teamsters are not included in the above return.

RECAPITULATION.

	For eight weeks.			For one day.		
	Up.	Down.	Total.	Up.	Down.	Total.
Number of stages	169	171	340	3	3	6
Number of buggies	61	46	107	1	1	2
Number of stage passengers	1,287	785	2,072	23	14	37
Number of travellers, footmen, and in buggies ..	1,287	2,508	3,790	23	45	68
Number of loose stock, all kinds ..	573	434	1,007	10	8	18
Number of teams	4,142	4,464	8,600	74	80	154
Number of animals in teams	22,788	23,003	45,591	407	407	814
Number of pounds of freight	19,286,200	.....	20,000,000	346,185	.....	357,000
Number of tons, of 2,000 lbs.	9,683	.....	10,000	173	.....	178

From which it appears that the daily average of loaded teams bound up is	74
The number of tons of freight transported daily up is	178
The number of stage passengers both ways is	37
The total number of travellers, including stage passengers	105

Allowing 18 days as the average time of a trip, and the number of teams and teamsters employed, amounts to 2,772, and of animals, 14,652.

At the present date, October 22, 1862, the price of freight is seven to eight cents per pound.

Estimating the yearly average of freight over the Placerville road to be 120 tons per day, at an average price of six cents per pound, and the total amount paid for freight alone, amounts to \$5,256,000 upon this one road.

A four horse, or mule team, which makes the trip in about sixteen days, pays for tolls \$22 75; a six horse or mule team pays \$30 toll. Averaging the time at eighteen days, the tolls at \$25 per trip, and we find that the enormous sum of \$693,000 per year is paid for tolls by freight teams.

The returns show that the stages average 37 passengers per day, which, at \$30 per passenger, amounts to \$405,150. It is believed, however, that the total receipts of the stage line exceeds this sum.

It will be observed that 68 additional travellers per day, or nearly double the number carried by stage, pass over this road, at least one-half of whom would probably take the cars were a railroad completed.

From an entirely reliable source I have ascertained that the total amount of silver bullion brought down by Wells, Fargo's Express, for the ten months of 1862, is over 150,000 pounds, and may be safely stated at 200,000 pounds for the entire year.

Its value is not, of course, known, gold being mixed with it, but it is safe to estimate it at \$30 per pound, or a total value of \$6,000,000.

This is only what comes by express, and does not indicate the amount actually taken out, and retained there, or sent down by private conveyance.

It is estimated by Wells, Fargo & Co. that this amount will be doubled for the year 1863, and in 1866 reach twenty-five millions of dollars.

Carson city, from the fact that it is the central point of a vast area of mineral wealth, and that it is peopled by an industrious and loyal people, would indicate it as being the proper point for the establishment of a branch mint. In view of the facts above stated, of the recommendation of the Secretary of the Treasury, and of the united opinion of the Pacific delegation in its favor, the committee report back the bill with an amendment, and a recommendation that it do pass.

All of which is respectfully submitted.

